

SUBCHAPTER F—FEDERAL HOME LOAN BANK MISSION

PART 940—CORE MISSION ACTIVITIES

Sec.

940.1 Definitions.

940.2 Mission of the Banks.

940.3 Core mission activities.

AUTHORITY: 12 U.S.C. 1422a(a)(3), 1422b(a), 1430, 1430b, 1431.

SOURCE: 65 FR 25278, May 1, 2000, unless otherwise noted.

§ 940.1 Definitions.

Community lending has the meaning set forth in § 952.3 of this chapter.

Financial Management Policy (FMP) has the meaning set forth in § 956.1 of this chapter.

SBIC means a small business investment company formed pursuant to 15 U.S.C. 681(d).

Targeted income level has the meaning set forth in paragraphs (1) and (2) of the definition of “targeted income level” in § 952.3 of this chapter.

[65 FR 25278, May 1, 2000, as amended at 65 FR 43981, July 17, 2000]

§ 940.2 Mission of the Banks.

The mission of the Banks is to provide to their members and associates financial products and services, including but not limited to advances, that assist and enhance such members’ and associates’ financing of:

(a) Housing, including single-family and multi-family housing serving consumers at all income levels; and

(b) Community lending.

§ 940.3 Core mission activities.

The following Bank activities qualify as core mission activities:

(a) Advances;

(b) Acquired member assets (AMA), except that United States government-insured or guaranteed whole single-family residential mortgage loans acquired under a commitment entered into after April 12, 2000 shall qualify only in a cumulative dollar amount up to 33 percent of: The cumulative total dollar amount of AMA acquired by a Bank after April 12, 2000, less the cumulative dollar amount of United

States government-insured or guaranteed whole single-family residential mortgage loans acquired after April 12, 2000 under commitments entered into on or before April 12, 2000 (which calculation, at the discretion of two or more Banks, may be made based on aggregate transactions among those Banks);

(c) Standby letters of credit;

(d) Intermediary derivative contracts;

(e) Debt or equity investments:

(1) That primarily benefit households having a targeted income level, a significant proportion of which must benefit households with incomes at or below 80 percent of area median income, or areas targeted for redevelopment by local, state, tribal or Federal government (including Federal Empowerment Zones and Enterprise and Champion Communities), by providing or supporting one or more of the following activities:

(i) Housing;

(ii) Economic development;

(iii) Community services;

(iv) Permanent jobs; or

(v) Area revitalization or stabilization;

(2) In the case of mortgage- or asset-backed securities, the acquisition of which would expand liquidity for loans that are not otherwise adequately provided by the private sector and do not have a readily available or well established secondary market; and

(3) That involve one or more members or housing associates in a manner, financial or otherwise, and to a degree to be determined by the Bank;

(f) Investments in SBICs, where one or more members or housing associates of the Bank also make a material investment in the same activity;

(g) SBIC debentures, the short term tranche of SBIC securities, or other debentures that are guaranteed by the Small Business Administration under title III of the Small Business Investment Act of 1958, as amended (15 U.S.C. 681 *et seq.*);

(h) Section 108 Interim Notes and Participation Certificates guaranteed by the Department of Housing and

Federal Housing Finance Board

§ 944.1

Urban Development under section 108 of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5308); and

(i) Investments and obligations issued or guaranteed under the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 *et seq.*).

[65 FR 43981, July 17, 2000]

PART 944—COMMUNITY SUPPORT REQUIREMENTS

Sec.

944.1 Definitions.

944.2 Community support requirement.

944.3 Community support standards.

944.4 Decision on community support statements.

944.5 Restrictions on access to long-term advances.

944.6 Bank community support programs.

944.7 Reports.

AUTHORITY: 12 U.S.C. 1422a(a)(3)(B), 1422b(a)(1), and 1430(g).

SOURCE: 62 FR 28988, May 29, 1997, unless otherwise noted. Redesignated at 65 FR 8256, Feb. 18, 2000.

§ 944.1 Definitions.

For purposes of this part:

Act means the Federal Home Loan Bank Act, as amended (12 U.S.C. 1421, *et seq.*).

Advance has the same meaning as in § 935.1 of this chapter.

Advisory Council means the Advisory Council each Bank is required to establish pursuant to section 10(j)(11) of the Act and part 960 of this chapter.

Affordable Housing Program or *AHP* means the program each Bank is required to establish pursuant to section 10(j) of the Act and part 960 of this chapter.

Appropriate federal financial supervisory agency means the Office of the Comptroller of the Currency for national banks; the Board of Governors of the Federal Reserve System for state chartered banks that are members of the Federal Reserve System and bank holding companies; the Federal Deposit Insurance Corporation for state chartered banks and savings banks that are not members of the Federal Reserve System and the deposits of which are insured by the Federal Deposit Insur-

ance Corporation; and the Office of Thrift Supervision for savings associations the deposits of which are insured by the Federal Deposit Insurance Corporation and savings and loan holding companies.

CICA or *Community Investment Cash Advance* has the same meaning as in § 950.1 of this chapter.

Targeted community lending has the same meaning as in § 952.3 of this chapter.

CRA means the Community Reinvestment Act of 1977, as amended (12 U.S.C. 2901, *et seq.*).

CRA evaluation means the public disclosure portion of the CRA performance evaluation provided by a member's appropriate federal financial supervisory agency.

First-time homebuyer means:

(1) An individual and his or her spouse, if any, who has had no present ownership interest in a principal residence during the three-year period prior to purchase of a principal residence.

(2) A displaced homemaker who, except for owning a residence with his or her spouse or residing in a residence owned by his or her spouse, meets the requirements of paragraph (1) of this definition. For purposes of this paragraph (2) of this definition, the term *displaced homemaker* means an adult who has not worked full-time, full-year in the labor force for a number of years and, during that period, worked primarily without remuneration to care for a home and family, and currently is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

(3) A single parent who, except for owning a residence with his or her spouse or residing in a residence owned by his or her spouse, meets the requirements of paragraph (1) of this definition. For purposes of this paragraph (3) of this definition, the term *single parent* means an individual who is unmarried or legally separated from a spouse and has custody or joint custody of one or more minor children or is pregnant.

Long-term advance means an advance with a term to maturity greater than one year.